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2nd Draft - MG/bw (22 July 1957)

MEMORANDUM FOR: Comptroller
SUBJECT : Simplified Allotment Accounting for WHD
REFERENCE : Memorandum dated 27 June 1957 to you from
Chief, WH Support, Same Subject.

1. We concur in the proposal contained in reference subject
to the following:

a. That paragraph II Funding Programs be revised to
read as follows (additions underscored - deletions lined
out):

"II. FUNDING PROGRAMS

Funding Programs will follow the Mission concept
used in the Operational Program. For each country, funds
will be programmed for Mission I (Field Station Support);
Mission II (FI/CI Activities); Mission III (cold war and
however, Projects under having an ad
PP Activities); Mission II and Mission III programs will
show separate amounts for (1) each large subsidy project
and administrative plan and
(2) each proprietary project; and (3) each individual
project in excess of \$100,000; and (4) all other. For
Headquarters, funds will be programmed for Support Un-
vouchedered; Support Vouchedered; and Area-wide Missions II
and III, as applicable, with the latter broken down as
stated above. This arrangement will mean fewer, but larger
accounts than heretofore. -- This simplification should

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~~result-in-a-more-efficient-use-of-the-Division's-funds
with-less-paper-adjustments."~~

b. That paragraph III Allotments be revised to read as follows (additions underscored - deletions lined out):

"III. ALLOTMENTS

Requests for allotments from the Budget Division and Field Allotment Advices will conform to the pattern proposed for Funding Programs. Each request for an allotment for Missions II and III, excluding large subsidy projects, proprietary projects, and projects in excess of \$100,000, shall include a schedule showing the projects covered by the request. This schedule should show the amount of each approved project and the amount requested for the project for the fiscal year broken down between that which will be retained at headquarters and that to be made available to the field. (See Para. II) Stations and Bases will receive allotments for Missions I, II, and III, and for the latter two groups separate allotments shall be made for each proprietary project, each large subsidy project, each individual project in excess of \$100,000, and all other. The allotments for Missions II and III combined will represent a financial plan. The Chief of Station shall have authority to incur obligations for Missions II and III in an amount not in excess of the respective allotments for the period provided (1) that the amount of obligations incurred for

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the "all other" allotment

any one project approved under Mission II shall not exceed the amount available to the field for the fiscal year by an amount in excess of \$1500.00 or 15 percent of the project, whichever is the lower, and (2) that the amount of obligations incurred for any one project approved under Mission III shall not exceed the amount available to the field for the fiscal year for that project. A ^{project} cost number will be assigned by the Budget Division to each project approved under Missions II and III. This arrangement will mean fewer allotment accounts than heretofore and should result in a more efficient use of the Division's funds with less paper adjustments. To provide more managerial flexibility in planning operations within the financial plan, Chiefs of Stations and Bases will be authorized to make off-set adjustments between the allotments. A simplified allotment system with greater responsibility on the allottee are features being considered in the Improved Financial Management Program."

c. That paragraphs V.B.1. and 2 of reference be deleted and a new paragraph V.B.1. reading as follows be substituted therefor:

"Para. V.B. Field

The WH Division shall advise each station of the amount approved for each project and the amount of the approval available for obligation in the field for the current fiscal year. The station shall maintain an Obligation Authority Record as prescribed by [REDACTED] for each project and shall record thereon the amount of the project approval made available to the field for the fiscal year.

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These records will be maintained in the field and will not be forwarded to headquarters."

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